R5650-2

JAPAN · ECONOMIC · INSTITUTE

JEI

REPORT

NO. 27A July 19, 1985

JAPAN-ASEAN TRADE RELATIONS

Summary

The economic relationship between Japan and the six nations that make up ASEAN is a substantial one with great potential for future growth. However, the member nations have expressed dissatisfaction with the pattern of trade represented by Japan's overwhelmingly industrial exports to them and ASEAN's largely raw material exports to Japan. The dilemma facing Japan's policy-makers involves such political considerations as Japan's national prestige as much as it does economics. As the chorus of complaints from the region continues, Japan is forced to respond to ASEAN while juggling other trade demands from the United States and Europe.

Trade and Resources

A discussion about Japan's trade relationship with the countries of the Association of Southeast Asian Nations (ASEAN) is a study in contrasts. In comparison with Japan, the sheer size of ASEAN, which includes the nations of Brunei, Indonesia, Malaysia, the Philippines, Singapore and Thailand, is striking when calculated by population and land area. Its population of 277 million is more than twice that of Japan and its land area is ten times as large. In economic terms, however, Japan outmuscles ASEAN. Japan's gross national product (GNP) is six times as large as that of all the ASEAN countries combined. Japan's degree of industrialization, the affluence of its population and the volume of international economic activity it generates are far greater than the economic development characterizing the Southeast Asian group of nations.

Japan's trading relationship with ASEAN is of long standing, and benefits from proximity, well-established trade mechanisms and the singularly complementary nature of the economies of the two entities. Japan is an island nation that has few natural resources but is nevertheless a tireless exporter of almost every kind of manufactured good. The ASEAN nations are among Japan's chief suppliers for such vital materials as petroleum (Indonesia), copper (the Philippines), tin (Malaysia, Indonesia, Thailand) and nickel and bauxite (Indonesia).

ASEAN is blessed with generous supplies of natural resources, including petroleum and natural gas, and a strategic location that encompasses narrow straits crucial to trade between the Indian and Pacific Oceans. In addition, these nations have a politico-economic infrastructure inherited from colonial and historical experiences compatible with those of Japan, the United States and Europe. A period of relative political stability and export-oriented development strategies beginning in the 1960s bolstered the region's rate of economic growth. While slowing down during the world recession at the beginning of this decade, ASEAN nations, with the exception of the Philippines, have maintained a rate of growth twice that of industrialized countries -- making the region a dynamic, natural market for products from Japan and other developed countries.

Though it is difficult to discuss any six countries as a unit, the degree of consonance among these nations' economies, international outlooks and development goals is high. These similarities lent cohesion to the movement in 1976 to make what was then largely a paper organization a working regional entity. Still, ASEAN is not quite an alliance, and far from becoming a market integration scheme on the European Community (EC) pattern. It is an association of mutual interests, mainly of a political nature, and a mechanism by which all the member states can gain the ear of the larger powers.

It is also a lot more than political shorthand to Japan and the United States, particularly when they are trying to drum up support on international issues. In international forums ASEAN has played what Japanese and American diplomats consider a crucial role in bridging the gap between nonaligned states and Western powers. Japan considers ASEAN support for a new round of multilateral trade negotiations under the General Agreement on Tariffs and Trade (GATT) so important that it has centered a great deal of its diplomatic activity on that goal in recent months. Moreover, ASEAN leads and Japan and the United States follow as far as policy on Indochina is concerned. And ASEAN sensitivities are frequently invoked during discussions of topics ranging from Pacific Rim trade integration to U.S.-Japan security relations.

The region's concerns about Japan's extensive business presence have also attracted much attention in Tokyo. Anti-Japanese sentiment stemming from World War II has grown less intense with the years, but it is still invoked when Japan's economic clout or even the presence of Japanese in the region seem to be growing too rapidly. The high profile of the Japanese business community in Southeast Asia -- today estimated at some 40,000 members or more -- was at issue along with the proliferation of Japanese televisions and automobiles when Prime Minister Kakuei Tanaka made a tour of the five member nations in 1974.

The JEI REPORT (ISSN 0744-6489) is published weekly for $40 per year by the Japan Economic Institute of America, 1000 Connecticut Avenue, N.W., Washington, D.C. 20036. Second class postage paid at Washington, D.C. POSTMASTERS: Send address changes to JEI, 1000 Connecticut Avenue, N.W., Washington, D.C. 20036.

(Brunei became the sixth member of the association in January 1984.) In Thailand he was greeted with demonstrators flaunting signs against the "Ugly Japanese" and in Jakarta mobs rioted and set fire to Japanese firms. Mr. Tanaka was forced to cancel his trip and return to Tokyo.

A process of soul-searching in Japan culminated in Prime Minister Takeo Fukuda's 1977 policy of "heart-to-heart relations" with ASEAN. This policy was considerably sweetened by a pledge of $1 billion in aid for ASEAN industrial projects. The emotional overtones of such diplomacy and a low-key approach by Japanese businesses seemed to be working well in 1981 when Prime Minister Zenko Suzuki modified the wording of the "Fukuda Doctrine" by calling for the "politics of harmony" (wa no seiji) when he made a tour of the region.

Under Prime Minister Yasuhiro Nakasone's administration, the rhetoric of the Fukuda Doctrine and other obligatory diplomatic gestures have been maintained, but the escalation in working exchanges between ASEAN and Tokyo and the proliferation of official and semi-official organizations designed to encourage closer relations reveal even more the importance Tokyo places on good relations with ASEAN. Though some members of the Foreign Ministry may say privately that Japan's preoccupation with establishing good will in Southeast Asia is due purely to economic realities, the political and emotional overtones of Japan's relations with the region are ever present.

Prime Minister Nakasone has placed a great deal of his prestige and popularity as a leader on the altar of foreign policy. One clear example occurred after his election in 1983, when he toured the ASEAN nations to defuse domestic criticism about his policy on Japan's defense buildup. Cautious support from ASEAN helped lower the level of the controversy, temporarily at least. Relations with the region have continued to be an important tool for Mr. Nakasone's management of domestic politics. Public sentiment in Japan continues to play a role in the relations between the two regions. Japan reacts with great emotion to Malaysia's "Look East" policy and Singapore's efforts to "Learn from Japan." So, when Thai students organized a well-publicized boycott of Japanese goods recently, it was reported in Japan with particular dismay. The importance of "harmony" with ASEAN, and the disruptive effects of the trade issue, became clearer than ever.

The Unequal Relationship

The United States and Japan are the region's largest overall trade partners and investors. The six nations collectively purchase more from Japan than from any other country, and this relationship, with the exception of the Philippines, holds bilaterally as well. Japan takes about 30 percent of ASEAN's exports. As a source of Japan's imports, excluding crude petroleum, the region has accounted for between 10 and 12 percent of the total for the past two decades. Clearly each partner is important to the other, but these statistics, as well as the high substitutability of most ASEAN primary products, lead many to point out that ASEAN needs Japan more than Japan needs ASEAN. This aspect of the perception of dependence has added urgency to the ongoing trade debate.

The call is for a more "equal" and diversified trading relationship. As ASEAN leaders have pointed out, Japan's purchases from the region have declined

since 1980. And although ASEAN registered a trade surplus with Japan of approximately $7.9 billion last year (see Table 1), when mineral fuel exports are excluded, a trade deficit of almost the same amount appears (see Table 2).

The nature of the controversy in regional terms is not whether the merchandise trade balance between Japan and ASEAN registers a surplus or a deficit, but the volume and composition of that trade. ASEAN wants Japan to import more manufactured goods, reduce existing barriers to all commodities and products as much as possible and substantially expand private investment and the transfer of technology. Moderates perceive the lack of market access as a function of Japan's general inhibition toward imports. More radical observers believe they detect conscious maintenance of a "colonial relationship" in the exchange of primary products for Japanese manufactured goods that are made up of those same primary products. The manufactures component of ASEAN's exports is on the upswing, but Japan's share of purchases continues to be mostly raw materials, particularly mineral resources (see Table 3).

Then there is contention over the services sector -- finance, insurance, shipping, consultancy and tourism, which some estimate to amount to $8 billion worth of business in ASEAN. When Brunei is discounted, Indonesia is the largest purchaser of services in the region. Singapore, on the other hand, has emerged as an aggressive new competitor for Japan in this sector. All of ASEAN's leaders want Japan to do something about getting the region a bigger share of the business in services, but exactly what Japan can do is uncertain.

Improved access to Japanese markets is certainly not always the answer. One example is finance. Since the 1970s Japanese banks have taken advantage of the slow rate of development of financial institutions in ASEAN to establish themselves in the region by a combination of perseverance and good service. Tokyo's recent moves to allow foreign corporations to do the same in Japan will not immediately benefit ASEAN. This kind of market access is designed for the most competitive American and European financial institutions, the ones with the technical sophistication and resources needed to compete in the Japanese market.

The bilateral trade outlook of the six ASEAN nations focuses more on red and black ink, but also betrays a commonality of interests. Malaysia and Indonesia are aware that, once their exports of oil and natural gas are discounted, they run substantial trade deficits with Japan. Their support for increased market access for manufactured imports stems from the difficulties Thailand, Singapore and the Philippines have faced in Japan on this score.

Thailand's persistent deficit has become a highly politicized, even emotional, issue, symbolized in the public mind by Japanese tariffs on boneless chicken. The deficit with Japan accounts for more than 60 percent of Thailand's overall trade deficit. Singapore's autocratic rulers will not allow public hysteria about their trade deficit with Japan, but their concern about access for manufactured goods and processed agricultural products is extreme. At the same time, they have a problem unique in ASEAN: they fear that they may lose preferential treatment as a developing nation because of their high growth rates and burgeoning per capita income. Despite the many other problems that burden the Philippines, there is strong awareness of the economy's dependence on foreign purchases of agricultural and mineral commodities such as iron ore

and copper. Economic planners get little comfort from the narrowness of the Philippines' 1984 trade surplus with Japan.

Investment and Technology Transfer

Most often mentioned as the long-term solutions to trade problems are increased investment and technology transfers from Japan to the ASEAN member countries. The creation of employment, the stimulation of industry and upgraded technology are essential to rapid economic development, it is believed. With the exception of Brunei, the ASEAN countries have received the lion's share of Japanese foreign direct investment in Asia (see Table 4). ASEAN complains, however, that the full range of Japanese business has not taken advantage of the tax holidays and other incentives set up to encourage investment in their countries. Furthermore, they maintain that when Japanese manufacturers do put plants in their region, most input sourcing bypasses domestic suppliers and comes from Japan. They also argue that the advanced manufacturing technologies used in these facilities are not taught to host country employees and that most support services are purchased from Japanese companies.

Foreign investment by any corporation is, of course, a business decision based on such nonphilanthropic motives as profit and market access. While ASEAN has a rather convenient location, cheap labor and a steadily growing number of affluent consumers, major disincentives to investment remain. The possibility of nationalization of industries is no longer as pressing a threat as the time-consuming and costly presence of corruption in the government and the private sector of some nations. Government interference in business practices, such as requiring companies to be jointly or even majority owned by domestic interests, is frequently perceived as a major inhibition to investment. Complicated customs procedures and government policies concerning the use of such unusual trade mechanisms as countertrade have also made things difficult for Japanese business. A major barrier to technology transfer is the lack of enforced patent protection in ASEAN countries. Piracy is an especially major concern for corporations involved in computer software and other high technology industries.

The prospects for stabilizing the flow of Japanese direct investment in ASEAN countries are certainly dim when swings in international markets are added to these circumstances. Japan has somewhat defused criticism from ASEAN by focusing on several "big ticket" projects that require substantial capital investment from the Japanese private sector as well as government-to-government cooperation. Mitsubishi Motors Corp. provided the technology and trained personnel to manufacture the first "made-in Malaysia" automobile -- a project promoted assiduously by Prime Minister Matathir Mohamad. The first products of the joint venture rolled off the assembly line July 9. A joint venture in Thailand concerning the exploitation and liquefaction of natural gas was announced in Bangkok recently, and Japanese and Indonesian corporations are cooperating on the development of a new seaplane.

Examples of these kinds of high-profile projects are numerous. But the fact remains that ASEAN is competing with industrialized nations for Japanese investment -- and it is starting to lose out. Japanese corporate investors had pumped a total of $17.9 billion into the United States and Canada by the end of

March 1984 compared with the $16.4 billion invested in Asia. In recent years, North America has replaced Asia as the number-one location for Japanese foreign investment (see JEI Report No. 29B, July 27, 1984).

The Current Outlook

Japan's recent market opening measures are not only aimed at assuaging dissatisfaction in the United States: significant provisions are being made by the Nakasone administration to address issues of concern to ASEAN. Pressure mounted on Tokyo with the scheduling of the first general meeting of ASEAN and Japanese economic ministers in Tokyo June 27-28 and the annual ASEAN session for foreign ministers and "dialogue partners," such as Japan and the United States, planned for mid-July.

In late spring, high-level representatives of Japan's Liberal Democratic Party (LDP) paid visits to the ASEAN nations to sound out sentiments on trade issues and explain the April 9 market opening measures (see JEI Report No. 14B, April 12, 1985) in order to avoid harsh exchanges during the June ministerial meeting. The chairman of the LDP Policy Affairs Research Council declared after his well-publicized trip that Japan would have to act quickly on promises to provide fairer and greater access to ASEAN imports in order to avoid disruption of otherwise close and cooperative relations.

Another preparatory meeting was held in Tokyo by deputy ministers to set an agenda for the June meeting, and in late May Malaysian Foreign Minister Tengku Rithauddeen paid an official visit to Tokyo to once again underline ASEAN sentiments on trade issues. The concerns he expressed were representative of the region's complaints: high tariffs on certain commodities (in this case palm oil, a major Malaysian export), restrictions hindering manufactured goods from entering the Japanese market, and the large trade deficit between Malaysia and Japan in insurance, shipping and other services. He also urged increases in direct investment and expanded purchases of agricultural and industrial inputs. In response, Foreign Minister Shintaro Abe gave assurances that the Japanese government would present a market access package sensitive to ASEAN concerns.

The tariff reductions announced June 25, two days before the Tokyo meeting, include lower duties on boneless chicken (a concession Thailand fought for), bananas, an export important to the Philippines, and palm oil (see JEI Report No. 24B, June 28, 1985). Reaction from ASEAN government and business officials has been characterized as "lukewarm." Reaction from Indonesia, which had urged reduction of tariffs on plywood and other processed wood products, was one of frustration. According to Japanese officials, plywood tariffs, which are also of great concern to Malaysia, will not be addressed in this round of market opening measures in order to give the Japanese industry time to adjust to increased import competition.

These primary commodities and processed products, although substantial ASEAN exports to Japan, are more significant for their symbolic value. As with last year's negotiations between the United States and Japan on beef and oranges, these items have come to represent in ASEAN's view Japan's refusal to open markets reserved for politically powerful domestic agricultural producers. Economic arguments, such as those concerning the high costs to

domestic consumers of restricted imports, have proved to carry little or no weight, so ASEAN leaders have adopted the American technique of relentless repetition and pointed politicization of single items in order to force Japanese concessions. This strategy, aided by the momentum of U.S. and EC demands on Japan, seems to be working.

Malaysia's complaint about palm oil was resolved when Tokyo announced that the existing 3 percent tariff will be eliminated next April. Kuala Lumpur is expected to continue its expansion of the palm oil industry, which last year provided approximately 3 percent of Malaysia's total exports to Japan.

Philippine President Ferdinand Marcos hailed Tokyo's tariff-cutting moves as a bolster to the country's tropical fruit exports to Japan. Starting in 1986, tariffs on bananas will be 12.5 percent instead of 17.5 percent during the time when Japanese banana producers are not harvesting fruit and 25 percent in place of 35 percent during Japan's fruit-growing season. This approximately 30 percent decrease was larger than that expected by those watching the discussions between Japanese farmers and government officials. Still, some disappointment was expressed that banana tariffs were not dropped completely. Expanding sales of bananas and other agricultural commodities were a major factor in the trade surplus the Philippines ran with Japan in 1984.

Bangkok's reaction to the reduction of the boneless chicken tariff from 18 percent to 14 percent was not quite so enthusiastic. Sales of Thai boneless chicken to Japan have increased sharply due to aggressive marketing, and the tariff cut will probably further boost sales by narrowing the price differential between domestic Japanese broiler meat and Thai imports. However, Thailand's chief problem in Japan is not with the Japanese industry but with bone-in legs from the United States, which face a tariff rate of only 11.3 percent. Thai officials are calling for further tariff reductions to enable their poultry exports to compete more effectively.

This aspect of Japan's tariff-reduction program is particularly upsetting to the ASEAN countries. The perception is that Tokyo's preoccupation with U.S. and European complaints for improved market access makes ASEAN third priority as trade barriers are dismantled. Some have suggested that the problems facing Japan and ASEAN are the natural outcome of a developed-developing country relationship. This factor, and the sheer volume of trade between Japan and other industrialized countries, lessens the attention given to ASEAN's market requirements. Until next year's elimination of palm oil tariffs, the Malaysian product has to compete with edible oils like soybean oil that enter Japan duty-free from the United States and other suppliers. The case of Indonesian and Malaysian plywood is also irksome; hardwood products from Southeast Asia face duties ranging from 17 to 20 percent, while tariffs on American and Canadian softwood plywood are around the 15 percent level.

ASEAN's appreciation for the efforts of the Nakasone government was therefore tempered by feelings that a great deal more must be done. During the two-day Tokyo meeting last month, officials emphasized market access for manufactured goods and reminded Japan that nontariff barriers, particularly standards and regulations concerning raw materials and food products, remain a significant limitation on ASEAN exports.

They also narrowed and intensified their demands for increased direct investment and technology transfer. ASEAN has called for Japanese attention to growing labor-intensive industries such as light machinery and parts assembly, processing industries, including furniture and foods that take advantage of plentiful domestic resources, and all-important export-oriented industries such as consumer electronics that have fueled the economies of other newly industrializing countries, including Korea and Taiwan. Emphasis was also placed on a rural-urban mix for development projects.

The economic ministers received assurances from their Japanese counterparts that along with continued reductions in import tariffs over the next three years, Tokyo will encourage regional investment by high technology firms as well as by small and medium-sized businesses. Foreign Minister Abe reiterated the government's intention to encourage the Japanese private sector by strengthening the Japan External Trade Organization (JETRO) and other trade-promotion organizations to facilitate the flow of information to companies interested in the region. With a well-marked reference to the "Fukuda Doctrine's" human resource development plank, he also proposed to step up the number of government-sponsored personnel exchanges.

It will take more than promises, however, to neutralize ASEAN's dissatisfaction with the current state of economic affairs. Prime Minister Nakasone's continued efforts to open Japanese markets will be under very close scrutiny in the region. However, retaliation from ASEAN of the kind that is being tossed around in Washington is highly unlikely. ASEAN is too dependent on Japan's markets for that to happen. But the threat the region holds over Japan is just as powerful, if harder to quantify. It is Japan's fear of once more losing face in Asia -- losing the chance to be seen as a benign sponsor and example to nations of the continent moving toward development. In short, it is Japan's fear of disharmony in its own environment, and the drop in economic and political influence that would go along with such a loss, that gives ASEAN nations leverage.

For further information, contact Sheri Hoptman.

* * * * * *

The views expressed in this report are those of the author and do not necessarily represent those of the Japan Economic Institute.

Table 1: Japan's Trade with ASEAN, 1980-85

(in millions of dollars; exports f.o.b., imports c.i.f.)

	1980	1981	1982	1983	1984	First Quarter 1984	First Quarter 1985
Brunei							
Exports	$ 88	$ 93	$ 145	$ 86	$ 72	$ 20	$ 18
Imports	3,245	2,907	2,636	2,367	2,202	622	529
Trade Balance	-3,156	-2,814	-2,491	-2,281	-2,131	-602	-511
Indonesia							
Exports	3,458	4,123	4,261	3,552	3,073	786	547
Imports	13,167	13,305	12,005	10,432	11,175	2,998	2,694
Trade Balance	-9,709	-9,182	-7,744	-6,880	-8,102	-2,212	-2,147
Malaysia							
Exports	2,061	2,424	2,502	2,771	2,875	723	545
Imports	3,471	2,927	3,010	3,131	4,412	987	1,058
Trade Balance	-1,410	-503	-508	-360	-1,537	-265	-514
Philippines							
Exports	1,683	1,928	1,802	1,744	1,080	270	177
Imports	1,951	1,731	1,576	1,306	1,419	340	299
Trade Balance	-268	197	227	437	-338	-69	-122
Singapore							
Exports	3,911	4,468	4,373	4,448	4,610	1,108	965
Imports	1,507	1,944	1,826	1,468	1,775	564	378
Trade Balance	2,404	2,524	2,547	2,981	2,835	544	587
Thailand							
Exports	1,917	2,251	1,907	2,506	2,425	604	509
Imports	1,119	1,061	1,041	1,019	1,040	275	240
Trade Balance	797	1,189	966	1,488	1,385	329	270
Total ASEAN							
Exports	13,118	15,287	14,990	15,107	14,134	3,511	2,762
Imports	24,461	23,876	22,094	19,722	22,024	5,785	5,198
Trade Balance	-11,343	-8,589	-7,103	-4,615	-7,887	-2,275	-2,436

Source: Japan Tariff Association, The Summary Report: Trade of Japan

Table 2: Japan's Imports from ASEAN by Category, 1983-84

(in millions of dollars)

	Mineral Fuels	Food	Textile Materials	Ores and Scrap	Raw Materials*	Chemicals	Machinery and Transport Equipment	Other Manu-factures	Total Imports (excl. fuels)	Trade Balance (excl. fuels)
Brunei										
1983	$2,362.7	$ 0.0	$ 0.0	$ 0.0	$ 1.8	$ 0.0	$ 0.0	$ 2.2	$ 4.0	$ 81.9
1984	2,197.4	0.2	0.0	0.1	0.6	0.0	0.1	4.1	5.1	66.7
Indonesia										
1983	9,061.4	346.2	22.8	539.7	407.6	8.6	0.4	45.5	1,370.9	2,181.2
1984	9,813.3	368.5	24.5	324.9	356.6	8.9	0.5	278.3	1,362.2	1,710.9
Malaysia										
1983	1,114.9	81.5	19.7	344.6	1,366.8	35.2	100.1	68.0	2,015.8	755.0
1984	2,217.7	69.9	22.4	161.2	1,513.5	36.5	123.0	268.7	2,194.4	680.4
Philippines										
1983	50.6	398.6	27.1	511.1	189.2	57.0	26.4	46.6	1,255.9	487.7
1984	47.0	448.1	27.8	403.9	251.6	69.9	31.1	139.4	1,371.6	-291.7
Singapore										
1983	1,093.1	31.1	5.9	25.8	15.0	98.0	119.5	79.2	374.4	4,073.8
1984	1,240.9	31.6	5.9	32.2	28.3	110.8	227.4	98.4	534.5	4,075.7
Thailand										
1983	0.0	433.0	40.1	64.6	358.6	22.2	14.5	85.6	1,018.7	1,487.8
1984	0.1	395.4	43.4	21.0	386.5	33.1	41.5	118.6	1,039.5	1,385.1
Total ASEAN										
1983	13,682.7	1,290.4	115.6	1,485.8	2,339.0	221.0	260.9	327.1	6,039.7	9,067.4
1984	15,516.4	1,313.7	124.0	943.3	2,537.1	259.2	423.6	906.7	6,507.3	7,627.1

*Includes such commodities as logs and lumber, wood pulp, natural rubber and nonmetallic mineral ores.

Source: Japan Tariff Association, The Summary Report: Trade of Japan

Table 3: Japan's Exports to ASEAN by Category, 1983-84

(in millions of dollars)

	Food	Textiles	Chemicals	Non-Metallic Mineral Products	Metals and Metal Products	Machinery and Transport Equipment	Other Manu-factures	Total
Brunei								
1983	$ 0.4	$ 0.2	$ 1.6	$ 1.0	$ 22.8	$ 59.0	$ 0.9	$ 85.8
1984	0.7	0.3	1.5	1.2	16.1	50.9	0.7	71.4
Indonesia								
1983	33.6	82.0	391.2	43.3	711.4	2,027.6	252.8	3,552.1
1984	27.8	85.6	362.6	36.0	619.7	1,698.2	243.2	3,073.1
Malaysia								
1983	24.1	70.6	137.1	44.9	510.0	1,836.2	147.9	2,770.8
1984	30.2	72.4	134.1	49.5	388.0	2,046.8	153.8	2,874.8
Philippines								
1983	8.5	91.8	183.8	22.0	309.1	976.7	151.7	1,743.6
1984	2.9	86.8	139.9	12.6	168.7	542.8	126.2	1,079.9
Singapore								
1983	64.0	261.1	219.9	159.3	676.0	2,606.4	461.4	4,448.2
1984	64.6	246.0	232.6	136.6	659.7	2,820.2	450.6	4,610.1
Thailand								
1983	24.8	82.8	265.9	28.1	548.7	1,414.6	141.4	2,506.5
1984	39.0	80.7	275.4	23.1	493.0	1,373.3	140.0	2,424.6
Total ASEAN								
1983	155.3	588.7	1,199.6	298.5	2,778.0	8,920.5	1,156.2	15,107.0
1984	165.1	571.8	1,146.1	259.0	2,345.3	7.532.2	1,114.5	14,135.4

Source: Japan Tariff Association, The Summary Report: Trade of Japan

Table 4: Japanese Foreign Direct Investment in ASEAN, FY 1979-FY 1983

(in millions of dollars)

	1979	1980	1981	1982	1983	Total March 31, 1984
Brunei	n.a.	$ --	$ 5	$ --	$ 2	$ 102
Indonesia	$150	529	2,434	440	374	7,641
Malaysia	33	146	31	83	140	904
Philippines	102	78	72	34	65	786
Singapore	255	140	266	180	322	1,705
Thailand	55	33	31	94	72	593
Total ASEAN	595	926	2,839	831	975	11,731
Total Asia	976	1,186	3,338	1,384	1,847	16,399
Percentage	61%	78%	85%	60%	53%	71%

Source: Ministry of Finance